

PRESIDENT'S REPORT

May 12, 1977

At the annual meeting, it is traditional to review the activities of the past fiscal year and try to evaluate our programs. At the same time, we want to look ahead and give the membership an indication of the scope of next year's program. I'll again follow this format.

First let's look at the highlights of 1976-77, without trying to keep to any chronological order.

I would like to discuss the so-called McGovern Report first. The basic details of Dietary Goals and the correspondence passed between Senator McGovern and ourselves are known to you, but additional commentary is necessary to fill in the gaps.

At the commencement of hearings back in 1974, a prominent committee staff member was quoted as saying to a friend of ours that "the final conclusions would hang sugar." The results as indicated in Dietary Goal Number 5--a recommended reduction of sugar intake of 40 per cent--certainly bear this prediction out. It seems even more obvious when you consider the evidence used to arrive at this recommendation. All of this came in the face of the timely report of Final Conclusions concerning sugar of the GRAS Review Committee, which states that the present level of sugar's intake does not present a health hazard other than as a contributing factor in the incidence of dental caries.

As you know, we have hammered away at the Select Committee using this official analysis as our scientific bible. McGovern, or more likely his staff, keeps avoiding this substantiating document

...to obscure authorities in other parts of the world. In the long run, the GRAS Report cannot be sidetracked, and you may be sure we will push its exposure to all corners of the country. The consequences of losing this battle and permitting Dietary Goals to become a basic reference are too grave to be taken lightly.

The American National Cattlemen's Association also had serious objections to the McGovern Report. They requested and were granted a hearing at which four representatives of the beef industry testified along with two scientific witnesses. At that hearing, March 24, Dr. E. H. Ahrens, of Rockefeller University, called the Committee report "misleading" and criticized it for not taking note of and weighing contrary opinions. Others called it "arrogant" and "simplistic." And like ourselves, they appealed to the Select Committee to re-open the discussion to additional scientists and to withdraw the report until balancing testimony could be introduced.

I mentioned the GRAS Review Committee's Final Conclusions as being the mainstay of our rebuttal to Dietary Goals. But beyond its use in that arena, it will be the primary substantiating evidence in support of sugar's position in a proper dietary environment for some time to come. It should be memorized and used by the Association staff, by the member companies and all those associated with the sugar business. We issued a press release on the day of its publication to record the event and we will continue to give it as much prominence as possible in our future activities. I trust you have observed that your association contributed considerable information and data to the GRAS Review, as acknowledged by the FASEB Committee. While I am proud of the credit line, I think we would probably be better off without it.

In the public relations area, we can expect an onslaught of attacks--perhaps more sophisticated now that we have gained the respect of our adversaries. The McGovern Report has to be neutralized. We will have to get more exposure for the Final GRAS Review Report. We will have to keep fighting the loose statements of opinion and the promotional activities of the anti-sugar proponents. As we have experienced, a casual unanswered statement can cause extreme damage. This is unceasing work, but the consequences of letting biased criticism go by without a contest will be worse. In summary, the McGovern Report will encourage our enemies, but the GRAS conclusions will better arm us.

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through
Health
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A detailed, balanced program will be presented to the Board of Directors along with a corresponding budget. The total cost is approximately the same as the budget for 1976/77. However, owing to several years of reduced contributions and the utilization of reserves, this budget, if approved, would put the Association in a financial deficit position were we to hold to the current dues pattern. I will be recommending a return to the previous rate of contribution.

I'm delighted to report that North American Sugar, a division of Borden Inc., has reconsidered its thoughts of withdrawing from the Association and will be working with us in the coming year. We're delighted to have this fine organization with us. It surely adds to our strength and our ability to get the job done.

The various problems of our industry are well known to all us here. They have been magnified in today's depressed market-
place. At times the differences in opinion on how to solve these